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Attorney general promises to aid in CIA director probe

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Washington—Attorney General William French Smith moved quickly yesterday to put down charges by Senator Daniel Patrick Moynihan (D, N.Y.) that the Justice Department was obstructing a Senate investigation of William J. Casey, the director of central intelligence.

"The attorney general called the senator this morning and promised to cooperate fully," a Justice Department press officer said.

Senator Moynihan had complained earlier in the day at a meeting of the Senate Select Committee on Intelligence that he was "outraged" at the lack of cooperation by Reagan administration officials into a probe of Mr. Casey's personal financial dealings.

"If they're not going to help us establish that the director should not resign,

then the result will be that he will resign," Mr. Moynihan warned before getting the call from Mr. Smith.

The senator said that committee staff members had tried unsuccessfully for several days to obtain files from the White House and the Department of Justice regarding Mr. Casey's role in a now defunct firm called Multiponics, Inc., and his association with Carl Biehl, a former director of the firm.

Mr. Biehl, according to reports in a Wilmington (Del.) newspaper, is well known to the Department of Justice because of his alleged ties to organized crime figures in a number of shipping ports along the Gulf Coast. Mr. Biehl reportedly was offered immunity from prosecution in return for his cooperation in an investigation of crime on the docks.

However, the Justice Department refused yesterday to confirm that report or to say if Mr. Biehl, a codefendant with Mr. Casey in a stockholder suit arising out of the bankruptcy of Multiponics, has been participating in any recent department investigations.

The chairman of the Select Committee on Intelligence, Senator Barry Goldwater (R, Ariz.), said Monday that, depending on the information turned up in Washington, members of the committee staff may be dispatched to New Orleans to examine records of the defunct business venture directed by Mr. Casey and Mr. Biehl.

On May 19, a federal judge in New York, acting on another stockholder suit related to Multiponics, said that the company's management misled potential in-

vestors in the firm. Last year, a federal appeals court in New Orleans declared that the firm's management drove the company deep into debt and appeared to be more concerned with personal profit than the interest of investors.

Senator Goldwater said earlier this week that although he had hoped to complete the investigation of Mr. Casey in just a few days, it now appears that the probe will go on until the end of July.

The personal financial dealings of Mr. Casey became a matter of controversy after Max Hugel, a former deputy director of the CIA in charge of spy operations, was forced to resign because of allegations of financial misconduct.

Mr. Hugel, who was brought into the CIA job at the insistence of Mr. Casey and over the objection of some longtime professional staff members in the agency, has been charged by two New York businessmen with manipulating stock prices and trading on "insider" information in the mid-1970s. Mr. Hugel has denied any wrongdoing in relation to the allegations.

It was reported Monday that Samuel F. McNell, one of the two Wall Street investors who brought the charges against Mr. Hugel, had disappeared. However, neither the FBI nor the New York City Police Department said they had been notified of the disappearance and were not searching for Mr. McNell.